



# Office of Inspector General

## Briefing to U.S. AbilityOne Commission

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**Inspector General**

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Anaheim, California



# Agenda

- **IG Focus – Sustainability and Transparency**
- **Reports & Work This Quarter (Q3 2019)**
  - Semiannual Report to Congress
  - Top Management Challenges Report
- **898 Panel**
  - Drafting Second Report to Congress
  - Outreach Activities
- **Audit Starts**
- **OIG Visits**



# Inspector General's Quote

*"If the rate of change inside the U.S. AbilityOne Commission is not greater than the rate of change in the Program, marketplace, and government customers, the Program is not sustainable."*



# IG Focus

- Enhancing confidence in the Program
- Increase economies and efficiencies
- Program growth





# Inspector General's Quote

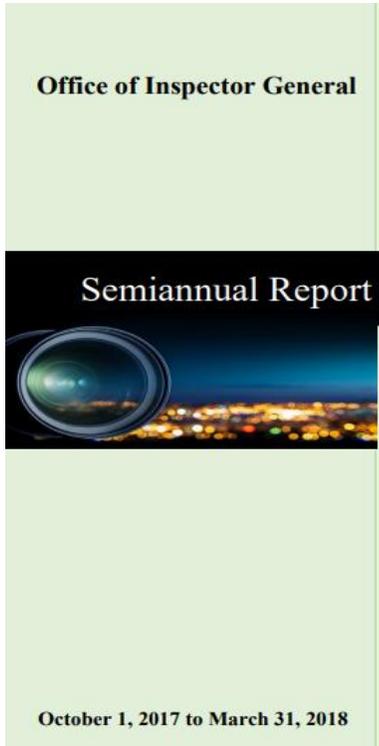
“Fraud on the AbilityOne Program harms inclusion of workers in the program, as well as harms law-abiding AbilityOne contractors.”

“We are committed to preserving the integrity of the AbilityOne Program. Working with DOJ and our partners, the Office of Inspector General will continue to protect the confidence and public trust in one of the largest employment programs in the nation for workers who are blind or have significant disabilities.”



# IG Semiannual Reports to Congress

October 1, 2017 – March 31, 2018 and April 1, 2018 – September 30, 2018



## Themes

- Sustainability
- Innovation

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Semiannual Report to Congress

April 1, 2018 to September 30, 2018



# IG Semiannual Report to Congress

October 1, 2018 – March 31, 2019

Office of Inspector General

Audits and Investigations



898 Panel and Outreach

Enhancing Confidence in the Program



October 1, 2018-March 31, 2019



Semiannual Report to  
Congress



# Top Management Challenges Report 2018

- Erosion of statutory Program authority
- Transparency
- Implementation of Cooperative Agreements
- Impact on effectiveness due to lack of resources
- Establishing of enterprise-wide risk management
- Enhancement of program-wide compliance



# 898 Panel Activities

- OIG leads the Inspector General Subcommittee
- Worked closely with DOJ for Waste-Fraud-Abuse Subcommittee
- OIG met with new Chair of 898 Panel, Mr. Kim Herrington
- OIG worked along with Agency on receiving feedback from CNAs and NPAs for implementation of the 898 Panel output
- IG presented on 898 Panel recommendations in multiple forums



# 898 Panel – IG Subcommittee

- Completed its 898 Panel recommendations from the July 2018 report
- Drafting IG section for the upcoming 898 Panel Report to Congress
- Working closely with DOJ for the draft of the Waste-Fraud-Abuse Subcommittee's section



# 898 Outreach Activities

- Participated in West National Council of SourceAmerica Employers (NCSE) CEO/Senior Leadership Forum, November 6 – 7, 2018, in Arizona
  - Discussed recommendations with NCSE members and worked with SourceAmerica to obtain feedback from NPAs
- Participated in the National Association for the Employment of People Who Are Blind (NAEPB) CEO conference, January 22 – 24, 2019, in Florida
  - Discussed recommendations with NAEPB members and worked with NIB to obtain feedback from NPAs
- Participated in East NCSE CEO/Senior Leadership Forum, February 5 – 6, 2019, in Virginia
  - Discussed prioritization of recommendations identified in West NCSE CEO Forum, implementation considerations, and required resources



# Audit Starts

- Program Fee
- Completed actions from Cooperative Agreements



# Oversight Audit Plan - Tiers

## Tier I

- Program Fee
- Completed actions from Cooperative Agreements

## Tier II

- Business development and innovation of products
- Evaluation on the recommendations by CNAs of allocation of orders to NPAs
- Project assignments and allocation of orders

## Tier III

- Audit on the quality of products in support of meeting Government requirements
- Appeal process by NPAs of projects and orders



# Audits – Agreed Priority

First two audits are:

- Program Fees
- Cooperative Agreements

Consistent with OIG design matrix, met with:

- Agency leadership
- Congress-Hill stakeholders
- CNAs

These audits will generate:

- Results of positive value
- High return on investment





# OIG Program Visits to Understand the Business of AbilityOne

## OIG visits this quarter:

- Melwood, Maryland
- Versability, Virginia
- Seattle Lighthouse NPA in San Diego
- Mississippi Industries for the Blind NPA in San Diego



# OIG Program Visits to Understand the Business of AbilityOne

| Date           | NPA   | Location                         | CNA           |
|----------------|---|----------------------------------|---------------|
| August 2017    | Work Incorporated   | Boston, MA                       | SourceAmerica |
| August 2017    | Blind Industries & Services of Maryland (BISM)                | Baltimore, MD                    | NIB           |
| September 2017 | Lighthouse Louisiana  | New Orleans and Baton Rouge, LA  | NIB           |
| September 2017 | Outlook Nebraska, Inc.  | Omaha, NE                        | NIB           |
| December 2017  | Envision  | Wichita, KS                      | NIB           |
| February 2018  | North Bay Industries and Two Rock Coast Guard Training Center | Rohnert Park, CA<br>Petaluma, CA | SourceAmerica |
| March 2018     | ReadyOne  | El Paso, TX                      | SourceAmerica |

| Date           | NPA                                    | Location        | CNA           |
|----------------|--|-----------------|---------------|
| May 2018       | National Federation of the Blind (NFB) | Baltimore, MD   | N/A           |
| July 2018      | Lighthouse for the Blind               | St. Louis, MO   | NIB           |
| September 2018 | Skookum                                | Seattle, WA     | SourceAmerica |
| November 2018  | Alphapointe                            | Kansas City, MO | NIB           |
| February 2019  | The Corporate Source                   | Garden City, NY | SourceAmerica |
| February 2019  | Fedcap Rehabilitation Services, Inc.   | New York, NY    | SourceAmerica |
| February 2019  | Visions                                | New York, NY    | NIB affiliate |
| February 2019  | Lighthouse for the Blind               | Dallas, TX      | NIB           |



# Thank You



- OIG Hotline Toll-Free Number: (844) 496-1536
- Emailing a hotline complaint: [Hotline@oig.abilityone.gov](mailto:Hotline@oig.abilityone.gov)
- OIG website: [www.abilityone.gov/commission/oig.html](http://www.abilityone.gov/commission/oig.html)